



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Weber *et al.*

Appl. No. 10/753,069

Filed: January 8, 2004

For: Systems and Methods for Trading
Actively Managed Funds

Art Unit: 3624

Examiner: LIVERSEDGE

Atty. Docket: 00322.0008.CPUS01

Preliminary Amendment

Commissioner for Patents
Washington, D.C. 20231

Sir:

Kindly enter the following amendments to the claims.

AMENDMENT

109 (new). A method for determining a hedging portfolio for an actively managed exchange traded fund without revealing the fund assets comprising:

providing a creation basket for the actively managed exchange traded fund;

determining a set of risk factors from a risk factor model;

determining or receiving a set of fund sensitivity coefficients, wherein each fund sensitivity coefficient specifies the exposure of the fund to one of the risk factors; and

creating a supplemental portfolio,

wherein the hedging portfolio comprises the sum of the supplemental portfolio and the creation basket of securities, the hedging portfolio has the same sensitivities to the set of risk factors as the fund, and the hedging portfolio does not reveal the fund assets.

110 (new). The method of claim 109, wherein the creation basket comprises shares of one or more exchange traded funds.